GGL RESOURCES CORP.

Condensed Interim Consolidated Financial Statements

For the six months ended

May 31, 2022

Unaudited – Prepared by Management

(Expressed in Canadian Dollars)

NOTICE OF NO AUDITOR REVIEW OF

CONDENSED INTERIM CONSOLIDATED FINANCIAL STATEMENTS

In accordance with National Instrument 51-102 Part 4, subsection 4.3(3)(a), if an auditor has not performed a review of these condensed interim consolidated financial statements, they must be accompanied by a notice indicating that the condensed interim consolidated financial statements have not been reviewed by an auditor.

The accompanying unaudited condensed interim consolidated financial statements of the Company have been prepared by and are the responsibility of the Company's management.

GGL Resources Corp.

Condensed Interim Consolidated Statements of Financial Position

Unaudited – Prepared by Management

As at May 31, 2022 and November 30, 2021

	Note	**May 31, 2022 $**	November 30, 2021 $
Assets			
Current assets			
Cash and cash equivalents	3	1,575,108	711,765
Receivables and prepayments	4	851,502	42,217
Marketable securities	13	-	1
		2,426,610	753,983
Non-current assets			
Mineral property interests	5	4,144,844	3,785,270
Reclamation and other deposits	6	94,567	100,663
Property and equipment	7	12,704	14,115
Total assets		**6,678,725**	4,654,031
Liabilities and shareholders' equity			
Current liabilities			
Accounts payable and accrued liabilities		15,178	49,750
Accounts payable to related parties	10	166,465	95,669
Flow-through premium liability	14	76,534	1,698
		258,177	147,117
Non-current liabilities			
Bank loans	15	60,000	60,000
Total liabilities		**318,177**	207,117
Shareholders' equity			
Share capital	8	42,554,272	40,446,326
Contributed surplus	8	430,921	349,721
Deficit		(36,624,645)	(36,349,133)
Total shareholders' equity		**6,360,548**	4,446,914
Total liabilities and shareholders' equity		**6,678,725**	4,654,031
Nature of operations and going concern	1		
Commitment	14		

Approved on behalf of the Board of Directors on July 28, 2022:

"W. Douglas Eaton" **Director** *"David Kelsch"* **Director**

The accompanying notes are an integral part of these condensed interim consolidated financial statements.

For the six months ended May 31, 2022 and May 31, 2021

	Number of shares #	Share capital $	Contributed surplus $	Deficit $	Total Shareholders' equity $
December 1, 2020	44,946,190	40,349,872	270,469	(36,002,703)	4,617,638
Exercise of warrants	150,000	22,500	-	-	22,500
Re-allocated on exercise of warrants	-	1,000	(1,000)	-	-
Share-based payments	-	-	71,042	-	71,042
Loss and comprehensive loss for the period	-	-	-	(197,253)	(197,253)
May 31, 2021	45,096,190	40,373,372	340,511	(36,199,956)	4,513,927
December 1, 2021	45,582,553	40,446,326	349,721	(36,349,133)	4,446,914
Private placement shares issued	16,274,922	2,190,740	-	-	2,190,740
Flow-through premium liability	-	(75,000)	-	-	(75,000)
Share issue costs	-	(31,044)	-	-	(31,044)
Re-allocated on expiry of warrants	-	23,250	(23,250)	-	-
Share-based payments	-	-	104,450	-	104,450
Loss and comprehensive loss for the period	-	-	-	(275,512)	(275,512)
May 31, 2022	**61,857,475**	**42,554,272**	**430,921**	**(36,624,645)**	**6,360,548**

GGL Resources Corp.

Condensed Interim Consolidated Statements of Loss and Comprehensive Loss
Unaudited – Prepared by Management

For the three and six months ended May 31, 2022 and May 31, 2021

		Three months ended		Six months ended	
	Note	**May 31, 2022 $**	May 31, 2021 $	**May 31, 2022 $**	May 31, 2021 $
Expenses					
Depreciation	7	705	881	1,411	1,762
General administrative expenses		14,532	8,877	18,414	10,311
Insurance		11,168	6,342	17,805	12,625
Investor relations and shareholder information		2,975	9,362	25,816	14,139
Management, administrative and corporate development fees	10	25,253	16,750	45,016	32,661
Office rent	10	4,500	4,500	9,000	9,000
Professional fees	10	9,070	19,511	20,950	31,211
Property examination costs		125	3,680	4,450	5,817
Share-based payments	8,10	104,450	24,938	104,450	71,042
Transfer agent and filing fees		3,527	2,974	10,964	12,913
Loss from operating expenses		**(176,305)**	(97,815)	**(258,276)**	(201,481)
Interest income		1,117	3,718	1,145	5,413
Settlement of flow-through premium liability	14	-	-	164	-
Write-off of marketable securities	13	(1)	-	(1)	-
Write-off of mineral property interests	5	(592)	(1,185)	(18,544)	(1,185)
Loss and comprehensive loss for the period		**(175,781)**	(95,282)	**(275,512)**	(197,253)
Loss per share					
Weighted average number of common shares outstanding					
- basic #	9	**45,940,244**	45,096,190	**45,671,976**	45,043,443
- diluted #	9	**45,940,244**	45,096,190	**45,671,976**	45,043,443
Basic loss per share $	9	**(0.00)**	(0.00)	**(0.01)**	(0.00)
Diluted loss per share $	9	**(0.00)**	(0.00)	**(0.01)**	(0.00)

The accompanying notes are an integral part of these condensed interim consolidated financial statements.

GGL Resources Corp.
Condensed Interim Consolidated Statements of Cash Flows
Unaudited – Prepared by Management

For the six months ended May 31, 2022 and May 31, 2021

	Note	**May 31, 2022 $**	May 31, 2021 $
Operating activities			
Loss for the period		(275,512)	(197,253)
Adjustments for:			
Depreciation		1,411	1,762
Share-based payments		104,450	71,042
Settlement of flow-through premium liability		(164)	-
Write-off of marketable securities		1	-
Write-off of mineral property interests		18,544	1,185
Net change in non-cash working capital items	12	(152,064)	(34,980)
		(303,334)	(158,244)
Financing activities			
Proceeds from bank loan		-	20,000
Issue of shares for cash		1,482,140	22,500
Share issue costs		(10,953)	-
		1,471,187	42,500
Investing activities			
Reclamation deposits		6,096	-
Deposit on refundable drilling permit		-	(17,516)
Mineral property acquisition costs		(144,691)	(56,099)
Deferred exploration and evaluation expenditures		(165,915)	(832,818)
		(304,510)	(906,433)
Change in cash and cash equivalents		**863,343**	(1,022,177)
Cash and cash equivalents, beginning of period		**711,765**	2,227,795
Cash and cash equivalents, end of period		**1,575,108**	1,205,618
Supplemental cash flow information	12		

The accompanying notes are an integral part of these condensed interim consolidated financial statements.

1. Nature of operations and going concern

GGL Resources Corp. (the "Company") was incorporated in British Columbia on May 25, 1981 under the provisions of the British Columbia Company Act and is registered extra-territorially to conduct operations in the Northwest Territories and Nunavut, Canada. The Company also has a US incorporated subsidiary company as detailed in Note 5. The Company's head office is located at 510 - 1100 Melville Street, Vancouver, BC, V6E 4A6. The Company's registered and records address is 1710 - 1177 West Hastings Street, Vancouver, BC, V6E 2L3, Canada. The Company is listed on the TSX Venture Exchange (the "Exchange") under the symbol "GGL.V".

The Company's principal business activity is the acquisition, exploration, and evaluation of mineral properties. The Company is in the process of exploring its mineral property interests and has not yet determined whether they contain mineral reserves that are economically recoverable. The Company's continuing operations and the underlying value and recoverability of the amounts shown for mineral property interests are entirely dependent upon the existence of economically recoverable mineral reserves, the ability of the Company to obtain the necessary financing to complete the exploration and development of the mineral property interests, obtaining the necessary permits to mine, and on future profitable production or proceeds from the disposition or option of the mineral property interests. The carrying amounts of mineral property interests are based on costs incurred to date, less impairments, and do not necessarily represent present or future values.

The continued impact of the COVID-19 pandemic could include significant COVID-19 specific costs, volatility in the prices for gold and other metals, logistical challenges and delays, additional travel restrictions, and workforce interruptions. Depending on the duration and extent of the impact of COVID-19, this could materially impact the Company's results of operations, cash flows and financial condition. The Company's requirement to incur flow-through expenditures by the end of 2021 was relaxed by the Government allowing the Company an extension for the remainder of its requirement through to December 31, 2022 (Note 14).

These condensed interim consolidated financial statements (the "financial statements) are prepared on the basis that the Company will continue as a going concern, which assumes that the Company will be able to continue in operation for the foreseeable future and will be able to realize its assets and discharge its liabilities and commitments in the normal course of operations. As an exploration stage company, the Company does not have traditional sources of revenue, and historically has relied on property option or sale proceeds, loans, and share capital financing to cover its operating expenses.

As at May 31, 2022, the Company had working capital of $2,168,433 (November 30, 2021 - $606,866) and shareholders' equity of $6,360,548 (November 30, 2021 - $4,446,914). Management has assessed that the Company's working capital is sufficient for the Company to continue as a going concern beyond one year. If the going concern assumption were not appropriate for these financial statements, it could be necessary to restate the Company's assets and liabilities on a liquidation basis.

2. Significant accounting policies

(a) Basis of presentation

These financial statements have been prepared in conformity with International Accounting Standard (“IAS”) 34, Interim Financial Reporting, using the same accounting policies as detailed in the Company‘s annual audited consolidated financial statements for the year ended November 30, 2021, and do not include all the information required for full annual financial statements in accordance with International Financial Reporting Standards (“IFRS”), as issued by the International Accounting Standards Board ("IASB") and interpretations of the International Financial Reporting Interpretations Committee ("IFRIC"). It is suggested that these financial statements be read in conjunction with the annual audited consolidated financial statements.

These financial statements have been prepared on an historical cost basis, except for financial instruments measured at fair value. In addition, these financial statements have been prepared using the accrual basis of accounting, except for cash flow information.

All amounts in these financial statements are presented in Canadian dollars which is the functional currency of the Company and its wholly-owned subsidiary (Note 5).

(b) Principles of consolidation

These financial statements include the financial statements of the Company and its wholly-owned subsidiary, Pointer Inc. (Note 5).

Subsidiaries are entities controlled by the Company and are included in the consolidated financial statements from the date that control commences until the date that control ceases. The accounting policies of subsidiaries are changed where necessary to align them with the policies adopted by the Company.

Associates are those entities in which the Company has significant influence, but not control over the financial and operating policies. Significant influence is presumed to exist when the Company holds between 20 and 50 percent of the voting power of another entity. Investments in associates are accounted for using the equity method (equity accounted investees) and are recognized initially at cost. When applicable, the financial statements include the Company’s share of the income and expenses and equity movements of equity accounted investees, after adjustments to align the accounting policies with those of the Company from the date that significant influence or joint control commences, until the date that significant influence or joint control ceases. When the Company’s share of losses exceeds its interest in an equity accounted investee, the carrying amount of that interest, including any long-term investments, is reduced to nil, and the recognition of further losses is discontinued, except to the extent that the Company has an obligation, or has made payments on behalf of the investee. The Company has no associates requiring equity accounting.

A jointly controlled operation is a joint venture carried on by each venturer using its own assets in pursuit of the joint operations. When applicable, the financial statements include the assets that the Company controls and the liabilities that it incurs in the course of pursuing the joint operation and its share of any revenues and expenses from the joint operation.

Inter-company balances and transactions, and any unrealized income and expenses arising from inter-company transactions, are eliminated in preparing these financial statements. Unrealized gains arising from transactions with equity accounted investees are eliminated against the investment, to the extent of the Company’s interest in the investee. Unrealized losses are eliminated in the same way as unrealized gains, but only to the extent that there is no evidence of impairment.

2. Significant accounting policies (continued)

(c) Significant accounting policies

The accounting policies, estimates and critical judgments, methods of computation and presentation applied in these financial statements are consistent with those of the most recent annual audited consolidated financial statements and are those the Company expects to adopt in its financial statements for the year ended November 30, 2022. Accordingly, these financial statements should be read in conjunction with the Company's most recent annual audited consolidated financial statements.

(d) Standards issued but not yet effective

Certain pronouncements have been issued by the IASB or IFRIC that are effective for accounting periods beginning on or after January 1, 2022. The Company has reviewed these updates and determined that none of these are applicable or consequential to the Company and have been excluded from discussion within these significant accounting policies.

3. Cash and cash equivalents

Cash and cash equivalents consist of the following:

	May 31, 2022 $	November 30, 2021 $
Cash	1,185,108	161,765
Guranteed investment certificates	390,000	550,000
	1,575,108	711,765

As at May 31, 2022, approximately $408,000 is committed to flow-through exploration expenditures. Refer to Note 14 for details.

4. Receivables and prepayments

Receivables and prepayments consist of the following:

	May 31, 2022 $	November 30, 2021 $
Interest receivable	775	86
Prepaid expenses	124,735	39,035
Sales tax recoverable	17,392	3,096
Subscriptions receivable	708,600	-
	851,502	42,217

As at May 31, 2022, subscriptions receivable represents a portion of the proceeds from the private placement financing completed in May 2022 (Note 8), which were subsequently collected.

5. Mineral property interests

In May 2021, the Company incorporated Pointer Inc. ("Pointer"), a wholly-owned subsidiary in the State of Nevada, USA. Pointer was incorporated to hold title to the Company's mineral property interests in Nevada, as it is a requirement in the USA that title to USA mineral interests be held by US corporations. Since incorporation, Pointer has had no transactions other than to hold title to the Nevada mineral claims. All costs to acquire or explore the claims are incurred by the Company. Other than to hold title to the Nevada minerals claims, Pointer has no assets or liabilities, and has had no transactions since incorporation.

The Company's mineral property interests consist of exploration stage mineral properties located in the Northwest Territories, Nunavut, and British Columbia in Canada and in Nevada, USA. Properties which are in close proximity and could be developed as a single economic unit are grouped into projects.

Changes in the project carrying amounts for the six months ended May 31, 2022 are summarized as follows:

	December 1, 2021	Acquisitions / staking	Exploration and evaluation, net	Write-off	May 31, 2022
	$	$	$	$	$
Fishback Lake	-	-	3,485	(3,485)	-
CH	827,823	-	15,536	-	843,359
Bishop	242,343	-	6,000	-	248,343
Rhombus	164,166	-	9,993	-	174,159
Providence Greenstone Belt	-	-	15,059	(15,059)	-
Stein	151,160	-	-	-	151,160
McConnell Creek	908,393	-	900	-	909,293
Gold Point	1,491,385	144,691	182,454	-	1,818,530
Total	**3,785,270**	**144,691**	**233,427**	**(18,544)**	**4,144,844**

	December 1, 2021	Additions, net	Write-off	May 31, 2022
	$	$	$	$
Acquisitions / staking	725,522	144,691	-	870,213
Exploration and evaluation	3,059,748	233,427	(18,544)	3,274,631
Total	**3,785,270**	**378,118**	**(18,544)**	**4,144,844**

5. **Mineral property interests** (continued)

Changes in the project carrying amounts for the six months ended May 31, 2021 are summarized as follows:

	December 1, 2020 $	Acquisitions / staking $	Exploration and evaluation, net $	Write-offs $	May 31, 2021 $
CH	760,537	-	26,042	-	786,579
Bishop	237,265	-	-	-	237,265
Rhombus	164,166	-	-	-	164,166
Providence Greenstone Belt	-	-	1,185	(1,185)	-
Stein	151,160	-	-	-	151,160
McConnell Creek	907,118	-	-	-	907,118
Gold Point	241,768	56,099	840,615	-	1,138,482
Total	2,462,014	56,099	867,842	(1,185)	3,384,770

	December 1, 2020 $	Additions, net $	Write-offs $	May 31, 2021 $
Acquisitions / staking	394,939	56,099	-	451,038
Exploration and evaluation	2,067,075	867,842	(1,185)	2,933,732
Total	2,462,014	923,941	(1,185)	3,384,770

Exploration and evaluation expenditures on the projects for the six months ended May 31, 2022 and May 31, 2021, consisted of the following:

	May 31, 2022 $	May 31, 2021 $
Assays	7,992	158,698
Drilling and excavating	-	327,102
Field	59,929	67,051
Labour	101,554	267,270
Survey and consulting	51,045	-
Transportation	12,907	47,721
Total	**233,427**	867,842

5. **Mineral property interests** (continued)

(a) Wholly-owned projects

(i) Fishback Lake, Northwest Territories, Canada

The Company owns one mining lease. As the Company has no current or future budgeted exploration programs in place for this project, it incurred and wrote-off $3,485 in capitalized lease rental payments during the six months ended May 31, 2022.

(ii) CH, Northwest Territories, Canada

The Company owns various claims and leases north-northeast of Yellowknife which include the Starfish and Zip projects.

(iii) Providence Greenstone Belt ("PGB"), Northwest Territories, Canada

The Company owns various leases in the PGB area of the Northwest Territories.

As the Company has no current or future budgeted exploration programs in place for this project, it incurred and wrote-off $15,059 in capitalized lease rental payments during the six months ended May 31, 2022.

(iv) Bishop, Northwest Territories, Canada

The Company owns various claims and one lease north-northeast of Yellowknife.

(v) Rhombus, Northwest Territories, Canada

The Company owns various claims north-northeast of Yellowknife.

(vi) McConnell Creek, British Columbia, Canada

The Company owns various mineral claims in the Omineca Mining Division of British Columbia.

The Company is eligible to claim British Columbia Mining Exploration Tax Credits ("BCMETC") relating to the McConnell Creek project. As at May 31, 2022 and November 30, 2021, there were no receivables accrued for BCMETC recoveries.

(b) Projects under option

(i) Stein, Nunavut, Canada

The Company has an option agreement with Arctic Star Exploration Corp. ("Arctic Star") whereby it can earn a 60% interest in Arctic Star's wholly-owned Stein Diamond Project in Nunavut, Canada. The Stein Diamond Project consists of various claims on the Southern Boothia Peninsula.

The Company can acquire a 60% undivided interest in the Stein Diamond Project by conducting detailed ground geophysics on high priority airborne targets, discovering kimberlite by drilling, trenching or in outcrop, and by converting prospecting permits to mineral claims. Upon discovery of kimberlite, a joint venture would be formed with an initial 60/40 contributing relationship. The project has a Class A land use permit that includes drilling.

5. Mineral property interests (continued)

(b) Projects under option (continued)

(ii) Gold Point, Nevada, USA

On July 27, 2020, the Company entered into three option agreements in respect of contiguous parcels of mining claims in Nevada (LBD property, EGP property, and TOM property), collectively referred to as the Gold Point Project. In addition to the cash payments as set out below in respect of each group of claims, the Company is required to incur aggregate minimum exploration expenditures of US$1,500,000 on the collective Gold Point Project by July 31, 2023. As at June 30, 2022, $1,243,000 has been spent (US$ 980,000).

During the year ended November 30, 2021, the Company staked and purchased additional claims within the project area of the Gold Point Project. The consideration paid to the sellers for the additional claims purchased totalled $116,951 (US$92,000), with an additional $64,679 (US$50,000) paid during the six months ended May 31, 2022, for an increased interest in certain claims, for aggregate consideration totalling $181,630 (US$142,000).

Certain of the purchased claims carry either a 1% or 2% NSR on all mineral production from the claims.

(1) The Company signed an option agreement with a private Nevada corporation (the "Optionor"), allowing the Company to earn a 100% interest in the LBD property. The option agreement was subsequently amended on July 20, 2022. Pursuant to the terms of the option agreement, the Company can acquire the property by making cash payments as detailed below and incurring aggregate minimum exploration expenditures of US$850,000 by July 31, 2025 (completed).

Cash payments of US$1,000,000:

- US$25,000 upon the execution of the option agreement (paid, $33,831 plus additional staking costs of $5,330 (US$4,000));
- US$50,000 on or before July 31, 2021 (paid);
- US$30,000 on or before July 31, 2022;
- US$23,334 on or before November 30, 2022;
- US$23,333 on or before March 31, 2023;
- US$23,333 on or before July 31, 2023;
- US$175,000 on or before July 31, 2023;
- US$250,000 on or before July 31, 2024; and
- US$400,000 on or before July 31, 2025.

The Optionor will retain a 2% Net Smelter Return royalty ("NSR") on all material production from the property, of which up to 1% can be purchased by the Company for US$1,000,000.

5. **Mineral property interests** (continued)

(b) **Projects under option** (continued)

(ii) Gold Point, Nevada, USA (continued):

(2) The Company signed an option agreement with Silver Range Resources Ltd. ("Silver Range"), allowing the Company to earn a 75% interest in the EGP property. Pursuant to the terms of the option agreement, the Company can acquire the property by making staged cash payments as detailed below and incurring minimum aggregate exploration expenditures as discussed above.

Cash payments of $180,000:

- $10,000 upon the execution of the option agreement (paid);
- Reimbursing Silver Range for certain staking costs and fees (paid, $15,605);
- $20,000 on or before December 31, 2020 (paid); and
- The aggregate of $150,000 (paid, $109,427 as detailed below) as calculated semi-annually and based on 10% of the expenditures incurred within the overall project area comprising the TOM, LBD, and EGP properties during each of the periods from:
  - July 1 to December 31 (paid, $33,548 for 2020 and 2021); and
  - January 1 to June 30 (paid, $75,879 for 2021; accrued $11,113 for 2022).

Upon the Company having earned the 75% interest in the EGP property, it will enter into a 75%/25% joint venture with Silver Range for further exploration of the property. Additionally, Silver Range will be entitled to receive a one-time cash payment of US$4 per ounce of gold identified in a National Instrument 43-101 ("NI 43-101") compliant measured or indicated resource estimate (or proven or probable reserve estimate) on the property.

(3) The Company signed an option agreement with Silver Range and a private Nevada corporation (collectively, the "Optionors"), allowing the Company to earn a 100% interest in the TOM property. Pursuant to the terms of the option agreement, the Company can acquire the property by incurring aggregate minimum exploration expenditures as discussed above, and reimbursing the Optionors for certain staking costs and fees (paid, $7,228).

Upon the Company having earned the 100% interest in the TOM property, the Optionors will be entitled to receive a one-time cash payment of US$1 per ounce of gold identified in a NI 43-101 compliant measured or indicated resource estimate (or proven or probable reserve estimate) on the property.

Additionally, the Optionors shall each retain a 1% NSR on all mineral production from the property, of which up to 1% can be purchased by the Company for a payment of US$2 per ounce on the first 250,000 ounces of gold contained in any measured or indicated resource estimate (or proven or probable reserve estimate), and US$1 per ounce of gold above 250,000 ounces thereafter.

5. **Mineral property interests** (continued)

(c) Other interests

Net Returns Royalty ("NR") – Doyle leases

During 2013, the Company sold certain of its mineral leases and reinstated leases, including Bob Camp, to Kennady Diamonds Inc. ("Kennady"), for $150,000 cash and a retained 1.5% NR on all of the leases, except for one where the Company retains a 0.5% NR. Kennady has the right, at any time prior to commencement of production from the property, to purchase one-third of the NR, for the sum of $2,000,000.

During 2016, the Company sold its interest in the remaining Doyle leases to Kennady for $200,000. The Company retains a 0.75% NR on all mineral production from the property. Kennady has the right at any time prior to commencement of production to purchase one-third of the NR, being 0.25%, for the sum of $1,000,000.

6. **Reclamation and other deposits**

The reclamation deposits are pledged to the British Columbia Ministry of Energy, Mines and Low Carbon Innovation (the "BC Ministry"), and the Government of the Northwest Territories. They are invested in guaranteed investment certificates bearing variable rates, with one-year terms that automatically renew. Management has determined that the Company has no material reclamation work related to the properties requiring the deposits.

Reclamation and other deposits also includes a Multi-Year Area Based Permit (active until January 31, 2026) from the BC Ministry on its McConnell Creek project, as well as a deposit for a refundable drilling permit in Nevada (in the amount of $17,516, which was paid during the year ended November 30, 2021).

7. **Property and equipment**

	Office furniture $	**Exploration equipment $**	**Total $**
Cost			
December 1, 2020	13,306	390,813	404,119
November 30, 2021	13,306	390,813	404,119
Accumulated depreciation			
December 1, 2020	13,086	373,405	386,491
Depreciation	26	3,487	3,513
November 30, 2021	13,112	376,892	390,004
Cost			
December 1, 2021	13,306	390,813	404,119
May 31, 2022	**13,306**	**390,813**	**404,119**
Accumulated depreciation			
December 1, 2021	13,112	376,892	390,004
Depreciation	10	1,401	1,411
May 31, 2022	**13,122**	**378,293**	**391,415**
Net book value			
November 30, 2021	194	13,921	14,115
May 31, 2022	**184**	**12,520**	**12,704**

8. Share capital

The authorized share capital of the Company consists of an unlimited number of common shares without par value. All issued shares are fully paid.

Transactions for the issue of share capital during the six months ended May 31, 2022:

- On May 30, 2022, the Company completed a private placement consisting of the issue of 13,774,922 non-flow-through common shares at a price of $0.13 each for gross proceeds of $1,790,740, and the issue of 2,500,000 flow-through shares at a price of $0.16 each for gross proceeds of $400,000. The aggregate gross proceeds received were $2,190,740.

  The flow-through shares were issued at a premium to the trading value of the Company's common shares which is a reflection of the value of the income tax write-offs that the Company renounced to the flow-through shareholders. The premium was determined to be $75,000 (Note 14) and was recorded as a reduction of share capital with an offset to flow-through premium liability. The premium is being reversed pro rata upon the required exploration expenditures being completed and recorded as income on settlement of the flow-through premium liability.

  There were no finder's fees paid in respect of the placements. Share issue costs consisting of legal and filing fees of $31,044 were incurred in respect of the placements which were recorded as a reduction to share capital.

Transactions for the issue of share capital during the six months ended May 31, 2021:

- During January and February 2021, the Company issued 150,000 common shares pursuant to the exercise of share purchase warrants at a price of $0.15 each for gross proceeds of $22,500. In connection with the warrants exercised, the original fair value of $1,000 was reversed from contributed surplus and credited to share capital.

Warrants

As an incentive to complete private placements, the Company may issue units which include common shares and common share purchase warrants. Using the residual value method, the Company determines whether a value should be allocated to the warrants attached to the units sold in completed private placements.

A summary of the status of the Company's warrants as at May 31, 2022 and November 30, 2021, and changes during the period/year then ended are as follows:

	Period ended May 31, 2022		Year ended November 30, 2021	
	Warrants #	Weighted average exercise price $	Warrants #	Weighted average exercise price $
Warrants outstanding, beginning of period/year	2,325,000	0.15	3,623,485	0.15
Exercised	-	-	(636,363)	0.15
Expired	(2,325,000)	0.15	(662,122)	0.15
Warrants outstanding, end of period/year	**-**	**-**	2,325,000	0.15

During the six months ended May 31, 2022, 2,325,000 warrants exercisable at $0.15 each, expired unexercised. Accordingly, the original fair value of the expired warrants of $23,250 was reversed from contributed surplus and credited to share capital.

8. Share capital (continued)

Stock options

The Company has a Stock Option Plan (the "Plan") whereby the Company may grant stock options to purchase up to 10% of the issued capital of the Company at the time of the grant of any option. Under the policies of the Exchange, options granted under the 10% rolling plan will not be required to include the mandatory vesting provisions required by the Exchange for a fixed number stock option plan, except for stock options granted to investor relations consultants which vest over 12 months. Awarded stock options are exercisable over a period not exceeding five years at exercise prices determined by the Board of Directors based on the most recent trading prices and subject to the Exchange policies.

A participant who is not a consultant conducting investor relations activities, who is granted an option under the plan with exercise prices at or above "Market Price" will have their options vest immediately, unless otherwise determined by the Board of Directors. A participant who is a consultant conducting investor relations activities who is granted options under the plan will have their options become vested with the right to exercise one-quarter of the options upon conclusion of every three months subsequent to the grant date.

A summary of the status of the Company's stock options as at May 31, 2022 and November 30, 2021, and changes during the period/year then ended are as follows:

	Period ended May 31, 2022		Year ended November 30, 2021	
	Options	Weighted average exercise price	Options	Weighted average exercise price
	#	$	#	$
Options outstanding, beginning of period/year	2,600,000	0.15	2,600,000	0.15
Granted	1,620,000	0.18	-	-
Options outstanding, end of period/year	**4,220,000**	**0.16**	2,600,000	0.15

As at May 31, 2022, the Company has stock options outstanding and exercisable as follows:

Options outstanding #	Options exercisable #	Weighted average exercise price $	Weighted average remaining life (years)	Expiry date
1,150,000	1,150,000	0.15	0.44	November 6, 2022
1,450,000	1,450,000	0.15	3.20	August 10, 2025
1,620,000	-	0.18	4.76	August 10, 2025
4,220,000	**2,600,000**	**0.16**	**3.04**	

During the six months ended May 31, 2022, 1,620,000 stock options were granted to Officers, Directors, related company employees and consultants. The Company recorded the fair value of all options granted using the Black- Scholes option pricing model. Share-based payment expense was calculated using the following weighted average assumptions: expected life of options – five years, stock price volatility – 129.19%, no dividend yield, and a risk-free interest rate yield – 1.60%. The fair value is particularly impacted by the Company's stock price volatility, determined using data from the previous five years. Using the above assumptions, the fair value of options granted during the six months ended May 31, 2022, was approximately $0.13 per option, for a total of $205,000.

There were no stock options granted during the six months ended May 31, 2021.

Total share-based payments expense for the six months ended May 31, 2022 was $104,450 (2021 - $71,042), which includes only those options that vested during the period.

8. Share capital (continued)

Contributed surplus

Contributed surplus is comprised of the accumulated fair value of stock options recognized as share-based payments, the residual value of share purchase warrants attached to unit private placements and share purchase warrants recognized within share issue costs. Contributed surplus is increased by the fair value of these items on vesting and is reduced by corresponding amounts when stock options or share purchase warrants expire, are exercised, or cancelled.

9. Loss per share

The calculation of basic and diluted loss per share for the six months ended May 31, 2022, is based on the loss attributable to common shareholders of $275,512 (2021 - $197,253) and a weighted average number of common shares outstanding of 45,671,976 (2021 – 45,043,443).

All stock options and warrants were excluded from the diluted weighted average number of shares calculation for the periods presented, as their effect would have been anti-dilutive.

10. Related party payables and transactions

The Company's related parties include key management personnel and Directors, and companies in which they have control or significant influence over the financial or operating policies of those entities.

During the six months ended May 31, 2022, 1,320,000 stock options were granted to key management personnel and Directors having a fair value on grant of $167,037. The options granted are exercisable at $0.18 each until March 2, 2027 and vest over a one-year period ending March 2, 2023.

No stock options were granted to related parties during the six months ended May 31, 2021.

During the six months ended May 31, 2022, $84,605 (2021 - $61,243) was recognized within share-based payments expense for stock options vesting to key management personnel and Directors.

As at May 31, 2022, Strategic had a 34.5% interest in the Company (November 30, 2021 – 38.4%). The Company and Strategic have certain common Officers, and the large share position of Strategic in the Company gives it control of the Company.

During the six months ended May 31, 2022, Strategic subscribed to the Company's private placement. Accordingly, Strategic subscribed to 3,846,153 non-flow-through common shares of the Company at $0.13 each for gross proceeds of $500,000.

The Company transacted with the following related parties:

(a) David Kelsch is a Director of the Company, as well as the President and Chief Operating Officer. He controls Dave Kelsch Consulting Ltd. ("Dave Kelsch Consulting"), which provides the Company with consulting services, as well as technical and professional services.

(b) Douglas Eaton is a Director and the Company's CEO. Until March 1, 2022, he was a Director and shareholder of, and had significant influence over Archer, Cathro & Associates (1981) Limited ("Archer Cathro"), which is a geological consulting firm. Archer Cathro provides the Company with office space, administrative support, and geological services. He is also a Director, President and CEO of Strategic.

(c) Glenn Yeadon is a Director and Corporate Secretary of Strategic. He controls Glenn R. Yeadon Personal Law Corporation ("Yeadon Law Corp."), which provides the Company with legal services.

(d) Larry Donaldson was the Company's CFO through to March 2, 2022. He is a principal of Donaldson Brohman Martin, CPA Inc. ("DBM CPA"), a firm in which he has significant influence. DBM CPA provides the Company with accounting and tax services. He is also CFO of Strategic. Effective March 2, 2022, the Company appointed Dan Martino as the Company's new CFO, who is also a principal of DBM CPA.

(e) Drechsler Consulting Ltd. ("Drechsler Consulting") is controlled by Richard Drechsler, who is Vice-President of Communications for Strategic. Drechsler Consulting Ltd. provides the Company with consulting services.

(f) Linda Knight is the Corporate Secretary of the Company.

10. Related party payables and transactions (continued)

The aggregate value of transactions and outstanding balances with related parties are as follows:

		Transactions Six months ended May 31, 2022 $	Transactions Six months ended May 31, 2021 $	**Balances outstanding May 31, 2022 $**	Balances outstanding November 30, 2021 $
	Dave Kelsch Consulting				
	- geological services	9,162	4,038	-	3,347
	- consulting fees	6,575	5,950	1,654	669
		15,737	9,988	1,654	4,016
(1)	Archer Cathro	135,370	237,396	134,286	75,303
(2)	Yeadon Law Corp	17,120	5,885	18,470	896
	DBM CPA	16,000	16,000	8,000	11,500
	Drechsler Consulting	11,835	5,805	-	1,134
	Linda Knight	24,019	20,906	4,055	2,820
		220,081	295,980	**166,465**	95,669

(1) Transactions for the six months ended May 31, 2022, include $102,301 related to geological services (2021 - $184,808).

(2) Transactions for the six months ended May 31, 2022, include $14,980 in share issue costs (2021 - $nil).

All related party balances are unsecured and are due within thirty days without interest.

The transactions with the key management personnel and Directors are included in operating expenses as follows:

(a) Management, administrative and corporate development fees
- Includes the consulting fees charged to the Company by Dave Kelsch Consulting and a related business.
- Includes the consulting fees charged to the Company by Drechsler Consulting.
- Includes the accounting and administrative services charged to the Company by Linda Knight.

(b) Office rent
- Includes office rent charged to the Company by Archer Cathro.

(c) Professional fees
- Includes legal services charged to the Company by Yeadon Law Corp.
- Includes the accounting services charged to the Company by DBM CPA.

11. Income taxes

Income tax recovery for the six months ended May 31, 2022 and May 31, 2021 varies from the amount that would be computed from applying the combined federal and provincial income tax rate to loss before income taxes as follows:

	May 31, 2022 $	May 31, 2021 $
Loss for the period before income taxes	(275,512)	(197,253)
Statutory Canadian corporate tax rate	27.00%	27.00%
Anticipated income tax recovery	74,000	53,000
Change in tax resulting from:		
Unrecognized items for tax purposes	(28,000)	(19,000)
Share issue costs	8,000	-
Tax benefits on losses not recognized	(54,000)	(34,000)
Income tax recovery	**-**	-

The significant components of the Company's unrecognized deferred tax assets are as follows:

	May 31, 2022 $	November 30, 2021 $
Mineral property interests	4,063,000	4,057,000
Marketable securities	3,000	3,000
Property and equipment	143,000	142,000
Non-capital loss carry forwards	1,556,000	1,513,000
Capital losses	13,000	13,000
Share issue costs	19,000	14,000
Unrecognized deferred tax assets	(5,797,000)	(5,742,000)
Net deferred tax assets	**-**	-

As at May 31, 2022, the Company has non-capital loss carry forwards of approximately $5,762,000 (November 30, 2021 - $5,603,000) which expire between 2026 and 2042.

As at May 31, 2022, the Company has unused capital losses of approximately $99,000 (November 30, 2021 - $99,000), which have no expiry date and can only be used to reduce future income from capital gains.

As at May 31, 2022, the Company has unclaimed resource and other deductions in the amount of approximately $19,193,000 (November 30, 2021 - $18,812,000), which may be deducted against future taxable income.

As at May 31, 2022, the Company has share issue costs totaling approximately $70,000 (November 30, 2021 - $51,000), which have not been claimed for income tax purposes.

As at May 31, 2022, the Company has unused temporary differences in respect of property and equipment totaling approximately $528,000 (November 30, 2021 - $527,000), which have no expiry.

Income tax attributes are subject to review, and potential adjustments, by tax authorities.

12. Supplemental cash flow information

Changes in non-cash operating working capital during the six months ended May 31, 2022 and May 31, 2021, were comprised of the following:

	May 31, 2022 $	May 31, 2021 $
Receivables and prepayments	(100,685)	10,583
Accounts payable and accrued liabilities	(43,928)	(24,217)
Accounts payable to related parties	(7,451)	(21,346)
Net Change	**(152,064)**	(34,980)

The Company incurred non-cash financing and investing activities during the six months ended May 31, 2022 and May 31, 2021, as follows:

	May 31, 2022 $	May 31, 2021 $
Non-cash financing activities:		
Proceeds from issue of shares included in subscriptions receivable	708,600	-
Share capital reduced by flow-through share premium	75,000	-
Share issue costs included in accounts payable and related party payables	20,091	-
Non-cash investing activities:		
Deferred exploration expenditures included in exploration incentives receivable	-	2,827
Deferred exploration expenditures included in accounts payable and related party payables	142,815	138,196

During the six months ended May 31, 2022 and May 31, 2021, no amounts were paid on behalf of interest or income tax expenses.

13. Financial risk management

Capital management

The Company is a resource exploration company and considers items included in shareholders' equity as capital.

Except for the temporary bank loans (Note 15), the Company has no debt and does not expect to enter into debt financing. The Company manages its capital structure and adjusts it in light of changes in economic conditions and the risk characteristics of underlying assets. In order to maintain or adjust its capital structure, the Company may issue new shares, issue new debt, acquire or dispose of assets or adjust the amount of cash. Additionally, the Company may seek to invest excess capital in guaranteed investment certificates bearing fixed or variable rates of interest that are redeemable on demand (cash equivalents) and have terms not exceeding 12 months. The Company is not subject to any externally imposed capital requirements and does not presently utilize any quantitative measures to monitor its capital. The Company's capital structure as at May 31, 2022, is comprised of shareholders' equity of $6,360,548 (November 30, 2021 - $4,446,914).

The Company currently has no source of revenues. In order to fund future projects and pay for general and administrative costs, the Company will spend its existing working capital and raise additional funds as needed. The Company's ability to continue as a going concern on a long-term basis and realize its assets and discharge its liabilities in the normal course of business rather than through a process of forced liquidation is primarily dependent upon its ability to sell or option its mineral property interests and its ability to borrow or raise additional financing from equity markets (Note 1).

There were no changes to the Company's capital management approach during the six months ended May 31, 2022.

13. Financial risk management (continued)

Financial instruments - fair value

The Company's financial instruments consist of cash and cash equivalents, subscriptions receivable, interest receivable, reclamation and other deposits, accounts payable and accrued liabilities, accounts payable to related parties, and bank loans. The carrying value of interest receivable, subscriptions receivable, accounts payable and accrued liabilities and accounts payable to related parties approximate their fair value because of the short-term nature of these instruments. Bank loans also approximate their fair value as they are not subject to material fluctuations.

Financial instruments measured at fair value on the condensed interim consolidated statements of financial position are summarized into the following fair value hierarchy levels:

Level 1: quoted prices (unadjusted) in active markets for identical assets or liabilities.

Level 2: inputs other than quoted prices included within Level 1 that are observable for the asset or liability, either directly (i.e., as prices) or indirectly (i.e., derived from prices).

Level 3: inputs for the asset or liability that are not based on observable market data (unobservable inputs).

	Level 1 $	Level 2 $	Level 3 $	Total $
May 31, 2022				
Cash and cash equivalents	1,575,108	-	-	1,575,108
Marketable securities (1)	-	-	-	-
Reclamation and other deposits	94,567	-	-	94,567
	1,669,675	**-**	**-**	**1,669,675**
November 30, 2021				
Cash and cash equivalents	711,765	-	-	711,765
Marketable securities (1)	-	-	1	1
Reclamation and other deposits	100,663	-	-	100,663
	812,428	-	1	812,429

(1) During the six months ended May 31, 2022, the Company determined that its marketable securities recorded at fair value using Level 3 inputs were impaired as discussed below. There were no changes to the Company's Level 3 inputs and assumptions with respect to its marketable securities during the year ended November 30, 2021.

As at May 31, 2022 and November 30, 2021, the Company held 500,000 common shares of a private company (marketable securities) with a carrying value of $nil (November 30, 2021 - $1 nominal value as a result of lack of marketability or supportable fair value indicators). The common shares were received on the option of mineral property interests. During the six months ended May 31, 2022, the Company identified impairment indicators with the private company, which resulted in a write-off of marketable securities of $1.

Financial instruments - risk

The Company's financial instruments can be exposed to certain financial risks, including credit risk, interest rate risk, liquidity risk, market risk, and currency risk.

(a) Credit risk

The Company is exposed to credit risk by holding cash and cash equivalents. All of the Company's cash and cash equivalents are held in a Canadian financial institution, and management believes the exposure to credit risk with respect to such an institution is not significant. The Company has minimal receivables exposure as interest receivable is a nominal balance, its refundable tax credits are due from the Canadian Government, and its subscriptions receivable were subsequently collected in full.

13. Financial risk management (continued)

Financial instruments – risk (continued)

(b) Interest rate risk

The Company is not exposed to interest rate risk as it does not hold financial securities or debt that would be impacted by fluctuating interest rates other than its cash and cash equivalents some portions of which are subject to variable rates, and certain of its reclamation deposits which bear variable rates. Fluctuations in market rates would have an insignificant impact on the Company's operations.

(c) Liquidity risk

Liquidity risk is the risk that the Company is unable to meet its financial obligations as they come due (Note 1). The Company manages this risk by careful management of its working capital to ensure its expenditures will not exceed available resources.

(d) Market risk

The Company is not exposed to market risk as it does not hold publicly traded marketable securities as at May 31, 2022.

(e) Currency risk

The Company is not impacted significantly by currency risk.

14. Commitment

On July 23, 2020, the Company completed a private placement of flow-through units for gross proceeds of $150,000. The Company renounced the expenditures and available income tax benefits to the flow-through shareholders effective December 31, 2020. As at May 31, 2022, approximately $142,000 of the funds had been spent.

The flow-through units were issued at a premium to the trading value of the Company's common shares, which reflected the value of the income tax write-offs that were renounced to the flow-through shareholders. The premium was determined to be $27,273 and was recorded as a reduction of share capital. An equivalent flow-through share premium liability was recorded, which is being reversed pro-rata as the required exploration expenditures are incurred.

Extension granted

Under the Income Tax Act flow-through look-back rules, the Company now has until December 31, 2022 to spend the remaining amount of flow-through funds raised in 2020. Amounts unspent after February 1, 2021, continue to be subject to a floating rate of interest which is currently set at 1% per annum. Since the remaining flow-through funds were not spent by December 31, 2021, the Company has accrued $28 in interest tax (general and administrative expenses) during the six months ended May 31, 2022.

On May 30, 2022, the Company completed a private placement of flow-through shares for gross proceeds of $400,000. The Company will renounce the expenditures and available income tax benefits to the flow-through shareholders effective December 31, 2022. As at May 31, 2022, none of the funds had been spent.

The flow-through shares were issued at a premium to the trading value of the Company's common shares, which reflected the value of the income tax write-offs that were renounced to the flow-through shareholders. The premium was determined to be $75,000 and was recorded as a reduction of share capital. An equivalent flow-through share premium liability was recorded, which is being reversed pro-rata as the required exploration expenditures are incurred.

A summary of the Company's flow-through premium liability as at May 31, 2022 and November 30, 2021, and changes during the period/year then ended are as follows:

	May 31, 2022	November 30, 2021
	$	$
Balance, beginning of period/year	1,698	2,745
Addition	75,000	-
Reduction - pro rata based on eligible expenditures	(164)	(1,047)
Balance, end of period/year	**76,534**	1,698

15. Government guaranteed bank loans

In 2020, the Company qualified for a government-guaranteed bank loan of $40,000 which is interest-free until December 31, 2023. The loan is part of the Canadian Emergency Business Account (“CEBA”) benefit in relation to COVID-19 relief. If the loan is repaid by December 31, 2023, $10,000 of the loan will be forgiven. If the loan is not repaid by then, the remaining unpaid balance will bear interest at 5% interest per annum and must be paid in full by December 31, 2025. The loan is unsecured.

During the year ended November 30, 2021, the Company received an additional $20,000 pursuant to the CEBA benefit, of which $10,000 is forgivable if repaid by December 31, 2023.

16. Segmented information

The Company operates in one reportable operating segment being the acquisition, exploration, and evaluation of mineral properties in Canada and the USA. The Company holds non-current assets comprising of mineral property interests of $1,818,530 in the USA. The remainder of the Company’s non-current assets are located in Canada.